

PARKING LOT LEASE

THIS LEASE (the "**Lease**") is made effective as of the 15th day of November, 2020, between **Lakefront Utilities Inc.**, a company incorporated under the laws of the Province of Ontario (herein referred to as "**Landlord**"), and the **Corporation of the Township of Cramahe**, a municipal corporation incorporated pursuant to the laws of the Province of Ontario (herein referred to as "**Tenant**").

WHEREAS:

- A. The Landlord is the owner of the lands and premises described as Part of Plan 64, Part Lots 8, 9 & 10 Part of Vale Street 39R9020 Part 3 (the "**Lands**").
- B. The Tenant wishes to lease a portion of the Lands from the Landlord, defined as the "**Leased Lands**" as described in Schedule "A" with a graphic yellow line depicting the boundaries of the Leased Lands.
- C. The Landlord has agreed to lease the Leased Lands to the Tenant subject to the terms of this Lease.

NOW THEREFORE this Lease witnesses that in consideration of the sum of Two Dollars (2.00) exchanged between the Landlord and Tenant and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Landlord and the Tenant hereby agree as follows:

- 1. **Leased Lands.** Subject to and in accordance with the provisions of this Lease, the Landlord leases the Leased Lands to the Tenant and the Tenant leases the Leased Lands from the Landlord.
- 2. **Use of Leased Lands.** The Lands shall only be used by the Tenant for the purpose of parking motor vehicles thereon, and for no other purpose. Without limiting the generality of the foregoing, the Tenant shall:
 - (a) not use of the Leased Lands for any illegal purpose;
 - (b) not do anything or permit or omit the doing of anything in, on or about the Leased Lands which, in the reasonable opinion of the Landlord, shall be or might result in a nuisance or an annoyance or an unusual, objectionable, noxious, noisome or offensive act, noise or odor; and
 - (c) use and occupy the Leased Lands solely in accordance with the applicable zoning bylaws of the Township of Cramahe.
- 3. **Lease Term.**
 - (a) The term of this Lease shall be for a period of five (5) year(s) commencing on the 15th day of November, 2020 (the "**Commencement Date**") and ending on the 14th day of November, 2025 (the "**Term**") unless earlier terminated in accordance with the provisions of this Lease.
 - (b) Provided that the Tenant is in occupation of the whole of the Leased Lands and not in default under this Lease, the Tenant shall have the option exercisable on

no less than six (6) months' and no more than one (1) year's written notice to the Landlord prior to the expiry of the Term, or the Extended Term as the case may be, to extend the Lease with respect to the Leased Lands for up to two (2) additional terms of five (5) years (the "**Extended Term(s)**") on the same terms and conditions as the Term, save and except: (i) that the Rent for each Extended Term shall be the then fair market Rent rate for comparable lands in the area, provided that in no event shall such rate be less than the Rent payable during the Term or Extended Term immediately prior to the commencement of the Extended Term; and (ii) there shall be no further right to extend the Term for any additional term following the exercise of the right to extend for the two Extended Terms.

- (c) If the parties are unable to agree on the Rent for any Extended Term on or before the date that is sixty (60) days prior to the commencement of the Extended Term, then such Rent shall be determined by arbitration before a sole arbitrator in accordance with the provisions of the *Arbitration Act, 1991*, S.O. 1991, C. 17, as amended from time to time.

- 4. **Site Work.** The Landlord agrees that the Tenant shall have the right to place clean gravel at various locations selected by the Tenant within the Leased Lands in order to make the Leased Lands suitable for the parking of motor vehicles (the "**Work**"). During the course of the performance of the Work, the Landlord shall have the right to perform on-site inspections to inspect the Work and ensure that only clean gravel is being used. The Tenant shall have no obligation to remove the gravel at the end of the Term.

5. **Rent.**

- (a) Rent. The Tenant covenants to pay to the Landlord a nominal rental fee "the gross annual rent" set out in Schedule "B", with such annual rents to be paid in advance on the 15th day of November each and every year throughout the Term (the "**Rent**"). In addition to the said sum for net annual Rent, the Tenant shall pay to the Landlord with each payment of Rent all applicable taxes or duties imposed upon the Landlord or the Tenant measured by or based in whole or in part upon the Rent payable under this Lease, whether existing at the date hereof or hereinafter imposed by any governmental authority, including, without limitation, harmonized sales tax, goods and services tax, value added tax, business transfer tax, retail sales tax, excise taxes or duties, or any tax similar to any of the foregoing (hereinafter called "**Sales Taxes**"). Sales Taxes shall not include any taxes which are personal to the Landlord, such as, for example, income taxes. Rent and applicable Sales Taxes shall be paid by the Tenant to Landlord when due without abatement, deduction or set-off. All Rent shall be paid at the Landlord's address set forth in subparagraph 20(c) or to such other address as Landlord may notify Tenant to make the Rent payment. Payment by the Tenant or receipt by the Landlord of less than the required annual payment of Rent is on account of the earliest stipulated Rent. An endorsement or statement on a cheque or letter accompanying a cheque or payment as Rent is not an acknowledgment of full payment or an accord and satisfaction, and the Landlord may accept and cash the cheque or payment without prejudice to its right to recover the balance of the Rent or pursue its other remedies.

- (b) If the Tenant fails to pay, when the same is due and payable, any Rent or other amount payable by the Tenant under this Lease, such unpaid amounts shall bear interest from the due date thereof to the date of payment, compounded monthly at the rate of eight percent (8%) per annum. Any payments returned for insufficient funds or not honoured by the Tenant's bank, shall be replaced immediately by the Tenant forthwith, a charge of Two Hundred and Fifty Dollars (\$250.00) for the Landlord's administrative fees for dealing with such payment will be immediately due as Rent and the Landlord shall have all remedies under the Lease for non-payment of rent by the Tenant.
 - (c) Prior to the Commencement Date, the Tenant shall deliver to the Landlord a certificate of insurance reflecting the terms and coverages stipulated herein and noting the Landlord as additional insured.
- 6. **Quiet Enjoyment.** If the Tenant pays the Rent and observes and performs all its terms, covenants and conditions of this Lease, the Tenant will peaceably and quietly hold and enjoy the Leased Lands for the Term hereby demised without hindrance or interruption by the Landlord, or any other person lawfully claiming by, through or under the Landlord.
- 7. **Maintenance.** The Tenant hereby accepts the Leased Lands in *as-is condition* without any representation or warranty whatsoever from the Landlord. Landlord shall not be responsible in any way for the maintenance or repair of the Leased Lands and the Tenant covenants at its own expense:
 - (a) to maintain the Leased Lands throughout the Term in the same condition as the Lands existed at the commencement of the Term, reasonable wear and tear excepted;
 - (b) to be responsible for its own snow removal;
 - (c) to keep the Leased Lands free and clear of any refuse, garbage or other loose or objectionable materials.
- 8. **Landlord's Right to Enter Leased Lands.**
 - (a) The Landlord, its servants, agents, contractors and those authorized by the Landlord shall be entitled to enter upon the Leased Lands at any time on reasonable prior written notice to the Tenant for the purpose of inspecting the Leased Lands.
 - (b) The Landlord, its servants, agents, contractors and those authorized by the Landlord shall be entitled to enter upon the Leased Lands at any time for the purpose of accessing the substation gates located on the portion of the property owned by the Landlord adjacent to the Leased Lands. The Tenant agrees to provide free and clear access to the substation gates at all times.
 - (c) The Tenant shall not be entitled to compensation for any inconvenience, nuisance or discomfort occasioned thereby.
- 9. **Alterations.** Subject to Section 4, the Tenant shall make no changes, improvements or alterations to the Leased Lands without the prior written consent of Landlord.

10. **Insurance.** The Tenant shall take out and keep in full force and effect during the Term, at the Tenant's sole expense, comprehensive general liability insurance insuring against any and all claims for injury to, or death of, persons and loss of, or damage to property occurring upon, in or about the Leased Lands. Such insurance shall be in the minimum amount of five million dollars (\$5,000,000.00) liability per occurrence to any one person for personal injury or death. The policy for insurance required by this paragraph shall: (i) name Landlord as an additional insured; and (ii) not be cancelable without thirty (30) days prior written notice by the insurer to Landlord. Tenant shall provide the Landlord with a certificate of insurance issued by the Tenant's insurer(s) for the insurance which the Tenant is required to maintain with the Landlord's interest noted thereon as additional insured.
11. **Indemnification of Landlord.** The Tenant will indemnify the Landlord and its partners, officers, directors and employees (collectively the "**Indemnified Persons**") and save them harmless from and against all loss including claims, actions, damages, costs, liability and expense in connection with loss of life, personal injury and damage to property occasioned wholly or in part by any act or omission of the Tenant or those for whom the Tenant is responsible at law.

The provisions of this Section shall survive the termination of this Lease.

12. **Assignment and Subletting.**
- (a) Except as hereinafter set out, neither this Lease nor any right hereunder may be assigned, transferred, encumbered or sublet, in whole or in part, by Tenant to any person, by operation of law or otherwise, without Landlord's prior written consent, which may not be unreasonably and arbitrarily withheld.
 - (b) Notwithstanding Section 12(a), the Landlord acknowledges and agrees that the Tenant may sublet the Lease to Community Health Centres of Northumberland and Northumberland Hills Hospital for the purpose of parking for the medical centre located on the lands described as Plan RP39R9020 Parts 1 & 2 and municipally known as 34 Victoria Street, provided that:
 - (i) the Tenant remains liable under the provisions of this Lease;
 - (ii) Community Health Centres of Northumberland and Northumberland Hills Hospital execute a covenant to be bound to the Landlord by the terms of the Lease; and
 - (iii) the Landlord approves the form of the sublease agreement with Community Health Centres of Northumberland and Northumberland Hills Hospital which shall in any event be for no greater amount of rent than provided for in the Lease.
13. **Construction Liens.** If any construction or other lien or order for the payment of money shall be filed against the Leased Lands or any part thereof by reason of or arising out of any labour or material furnished to the Tenant or to anyone claiming through the Tenant, the Tenant, within five (5) days after receipt of notice of the filing thereof, shall cause the same to be discharged by bonding, deposit, payment, court order or otherwise. The Tenant shall defend all suits to enforce such lien, or orders, against the Tenant, at the Tenant's sole expense. The Tenant hereby indemnifies the

Landlord against any expense or damage incurred as a result of such liens or orders. If the Tenant shall fail to discharge any lien, then in addition to any other right or remedy of the Landlord, the Landlord may, but it shall not be so obligated, discharge the lien by paying the amount claimed to be due into Court and the amount paid by the Landlord together with all costs and expenses including solicitor's fees incurred for the discharge of the lien shall be due and payable by the Tenant to the Landlord on demand.

14. **Status Certificate.** The Tenant shall, on ten (10) days' written notice from the Landlord, execute and deliver to the Landlord a statement as prepared by the Landlord in writing certifying the following: (a) that this Lease is unmodified and in full force and effect, or, if modified, stating the modifications and that the same is in full force and effect as modified; (b) the amount of the annual Rent or other amounts then being paid; (c) the dates to which Rent or other amounts, by installments or otherwise, has been paid; (d) whether or not there is any existing default on the part of the Landlord of which the Tenant has notice; and (e) such other matters as the Landlord shall reasonably request.
15. **Default and Right to Re-Enter.** Any of the following constitutes an event of default under this Lease (the "**Event of Default**"):
 - (a) any Rent due is not paid within five (5) days after notice in writing from the Landlord to the Tenant;
 - (b) the Tenant has breached any of its obligations in this Lease and, if such breach is capable of being remedied after notice in writing from the Landlord to the Tenant:
 - (i) the Tenant fails to remedy such breach within ten (10) days (or such shorter period as may be provided in this Lease); or
 - (ii) if such breach cannot reasonably be remedied within ten (10) days or such shorter period, the Tenant fails to commence to remedy such breach within ten (10) days of such breach, or thereafter fails to proceed diligently to remedy such breach; or
 - (c) the Tenant affects an assignment of this Lease or sublets the Leased Lands or any part thereof or otherwise permits any person, firm, corporation, governmental authority or agency or any other legal entity to occupy or use the Leased Lands other than in compliance with the provisions of this Lease.
16. **Remedies.** If and whenever an Event of Default occurs, and without prejudice to any other rights which it has pursuant to this Lease or at law, the Landlord shall have the following rights and remedies, which are cumulative and not alternative:
 - (a) to terminate this Lease by notice to the Tenant or to re-enter the Leased Lands and repossess them and, in either case, enjoy them as of its former estate, and to remove all persons and property from the Leased Lands and store such property at the expense and risk of the Tenant or sell or dispose of such property in such manner as the Landlord sees fit without notice to the Tenant. If the Landlord enters the Leased Lands without notice to the Tenant as to whether it is terminating this Lease under this subparagraph 16 (a) or proceeding under subparagraph 16 (b) or any other provision of this Lease, the Landlord

shall be deemed to be proceeding under subparagraph 16 (b), and the Lease shall not be terminated, nor shall there be any surrender by operation of law, but the Lease shall remain in full force and effect until the Landlord notifies the Tenant that it has elected to terminate this Lease. No entry by the Landlord during the Term shall have the effect of terminating this Lease without notice to that effect to the Tenant;

- (b) to enter the Leased Lands as agent of the Tenant to do the following: (i) relet the Leased Lands for whatever length and on such terms as the Landlord, in its discretion, may determine and to receive the rent therefor; and (ii) apply the proceeds of any such reletting first, to the payment of any expenses incurred by the Landlord with respect to any such reletting, second, to the payment of any indebtedness of the Tenant to the Landlord other than Rent, and third, to the payment of Rent or other amounts owing by the Tenant which are in arrears, with the residue to be held by the Landlord and applied to payment of future Rent or other amounts payable by the Tenant as same becomes due and payable, provided that the Tenant shall remain liable for any deficiency to the Landlord; to remedy or attempt to remedy any default of the Tenant under this Lease for the account of the Tenant and to enter upon the Leased Lands for such purposes. No notice of the Landlord's intention to remedy or attempt to remedy such default need be given to the Tenant unless expressly required by this Lease, and the Landlord shall not be liable to the Tenant for any loss, injury or damages caused by acts of the Landlord in remedying or attempting to remedy such default. The Tenant shall pay to the Landlord all expenses incurred by the Landlord in connection therewith; and
- (c) to recover from the Tenant all damages, costs and expenses incurred by the Landlord as a result of any default by the Tenant including, if the Landlord terminates this Lease, any deficiency between those amounts which would have been payable by the Tenant for the portion of the Term following such termination and the net amounts actually received by the Landlord during such period of time with respect to the Leased Lands.

17. **Termination.** The Landlord and Tenant may terminate this Lease:

- (a) on consent, on the date agreed to in writing by both Landlord and Tenant;
- (b) at the Tenant's option, provided that the Tenant shall deliver a written notice of the exercise of this right at least six (6) months prior to the termination date and shall pay an early termination penalty in an amount equivalent to the sum of (3) three months' Rent upon delivery of such written notice.

Upon the termination date, the Tenant shall deliver up vacant possession of the Leased Lands on the termination date, all Rent shall be apportioned and paid to the termination date, and this Lease will be fully and completely ended as of the termination date.

18. **Costs.** The Tenant shall pay to the Landlord all damages, costs and expenses (including, without limitation, all legal fees on a substantial indemnity basis) incurred by the Landlord in enforcing the terms of this Lease, or with respect to any matter or thing which is the obligation of the Tenant under this Lease, or in respect of which the Tenant has agreed to insure or to indemnify the Landlord.

19. **Remedies Cumulative.** Notwithstanding any other provision of this Lease, the Landlord may from time to time resort to any or all of the rights and remedies available to it in the event of any default hereunder by the Tenant, either by any provision of this Lease, by statute or common law, all of which rights and remedies are intended to be cumulative and not alternative. The express provisions contained in this Lease as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the Landlord by statute or common law.
20. **General Terms.**
- (a) Force Majeure. Notwithstanding any other provision contained herein, in the event that either the Landlord or the Tenant should be delayed, hindered or prevented from the performance of any act required hereunder by reason of any unavoidable delay, including strikes, lockouts, unavailability of materials, inclement weather, acts of God or any other cause beyond its reasonable care and control, but not including insolvency or lack of funds, then performance of such act shall be postponed for a period of time equivalent to the time lost by reason of such delay. The provisions of this subparagraph 19 (a) shall not under any circumstances operate to excuse the Tenant from prompt payment of Rent and/or any other amounts payable under this Lease.
 - (b) No Waiver. No waiver by any party hereto of any breach by any other party of any of its covenants, agreements or obligations contained in this Lease shall be or be deemed to be a waiver of any subsequent breach thereof or the breach of any other covenants, agreements or obligations nor shall any forbearance by any party hereto to seek a remedy for any breach by any other party be a waiver by the party so forbearing of its rights and remedies with respect to such breach or any subsequent breach. The subsequent acceptance of Rent by the Landlord shall not be deemed a waiver of any preceding breach by the Tenant of any term, covenant or condition regardless of the Landlord's knowledge of such preceding breach at the time of the acceptance of such Rent.
 - (c) Notices. Any notice, delivery, payment or tender of money or document(s) to the parties hereunder may be delivered personally or sent by prepaid registered or certified mail or prepaid courier or by email to the address for such party as set out below:
 - (i) To the Landlord:
Lakefront Utilities Inc.
207 Division St, Box 577
Cobourg, Ontario
K9A 4L3

Attention: Dereck Paul

(ii) To the Tenant:

The Corporation of the Township of Cramahe
1 Toronto Street, P.O. Box 357
Colborne, Ontario
K0K 1S0

Attention: Joanne Hyde, Clerk

Any such notice, delivery or payment so delivered, sent, posted or attached shall be deemed to have been given or made and received upon delivery of the same or on the third (3rd) business day (excluding Saturdays, Sundays and statutory holidays in Ontario) following the mailing of same, as the case may be, or by confirmation of receipt following the emailing of same. Each party may, by notice in writing to the others from time to time, designate an alternative address in Canada to which notices given more than ten (10) days thereafter shall be addressed. Notwithstanding the foregoing, any notice, delivery, payment or tender of money or document(s) to be given or made to any party hereunder during any disruption in the service of the Canada Post Office shall be deemed to have been received only if delivered personally or sent by prepaid courier or email.

- (d) No Registration of Lease. Neither the Tenant nor anyone on the Tenant's behalf or claiming under the Tenant shall register this Lease or any notice thereof against the Leased Lands.
- (e) Gender, Number and Headings. The use of the neuter singular pronoun to refer to the Landlord or the Tenant is a proper reference even though the Landlord or the Tenant is an individual, a partnership, a corporation or a group of two or more individuals, partnerships or corporations. The grammatical changes needed to make the provisions of this Lease apply in the plural sense when there is more than one Landlord or Tenant and to corporations, associations, partnerships or individuals, males or females, are implied. The insertion of headings are for convenience of reference only, and shall not affect the construction or interpretation of this Lease. The covenants and obligations of the parties comprising the Tenant are joint and several.
- (f) Invalid or Unenforceable Clauses. If a part of this Lease or the application of it to any person, firm, corporation, governmental authority or agency or any other legal entity or circumstance, is to any extent held or rendered invalid, unenforceable or illegal, that part: (i) is independent of the remainder of the Lease and is severable from it, and its invalidity, unenforceability or illegality does not affect, impair or invalidate the remainder of this Lease; and (ii) continues to be applicable to and enforceable to the fullest extent permitted by law against any such person, firm, corporation, governmental authority or agency or any other legal entity and circumstance except those as to which it has been held or rendered invalid, unenforceable or illegal. No part of this Lease will be enforced against a person, firm, corporation, governmental authority or agency or any other legal entity, if, or to the extent that by doing so, the person, firm,

corporation, governmental authority or agency or any other legal entity is made to breach a law, rule, regulation or enactment.

- (g) Entire Lease. This Lease and the Schedules attached set forth all the covenants, promises, agreements, conditions and understandings between the Landlord and the Tenant concerning the Leased Lands and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them or relied upon by the Tenant to induce it to enter into this Lease, other than are herein set forth. Except as herein otherwise provided, no alteration, amendment, change or addition to this Lease shall be binding upon the Landlord or the Tenant unless in writing and signed by the Tenant and an authorized representative of the Landlord.
- (h) Overholding. If at the expiration of the Term by elapse of time the Tenant shall hold over for any reason the tenancy of the Tenant thereafter shall be from month to month at a monthly Rent payable in advance on the first day of each month equal to the monthly Rent payable during the last month of the Term and shall, in the absence of written agreement to the contrary, be subject to all covenants, obligations and agreements provided for in this Lease, except as to duration.
- (i) Applicable Law. This Lease will be construed in accordance with the applicable laws of Canada and the Province of Ontario.
- (j) Time of the Essence. Time is of the essence of this Lease.
- (k) Binding Effect. The rights and liabilities of the parties shall ensure to the benefit of their respective heirs, executors, administrators, successors and assigns, subject to any requirement for consent by the Landlord hereunder. No rights, however, will endure to the benefit of any assignee or subtenant of the Tenant unless the assignment or sublease has been consented to or is otherwise permitted herein or by law.
- (l) Survival of Tenant's Covenants. The Tenant's obligation to observe and perform its covenants and agreements under this Lease will survive the expiration of the Term or earlier termination of this Lease.

IN WITNESS WHEREOF the corporate parties hereto have hereunto affixed their respective corporate seals attested to by the hands of their duly authorized officers in that behalf.

LAKEFRONT UTILITIES INC.

Per: _____

Name: Dereck Paul

Title: President & CEO

I have authority to bind the Corporation.

CORPORATION OF THE TOWNSHIP OF
CRAMAHE

Per: Mayor Mandy Martin

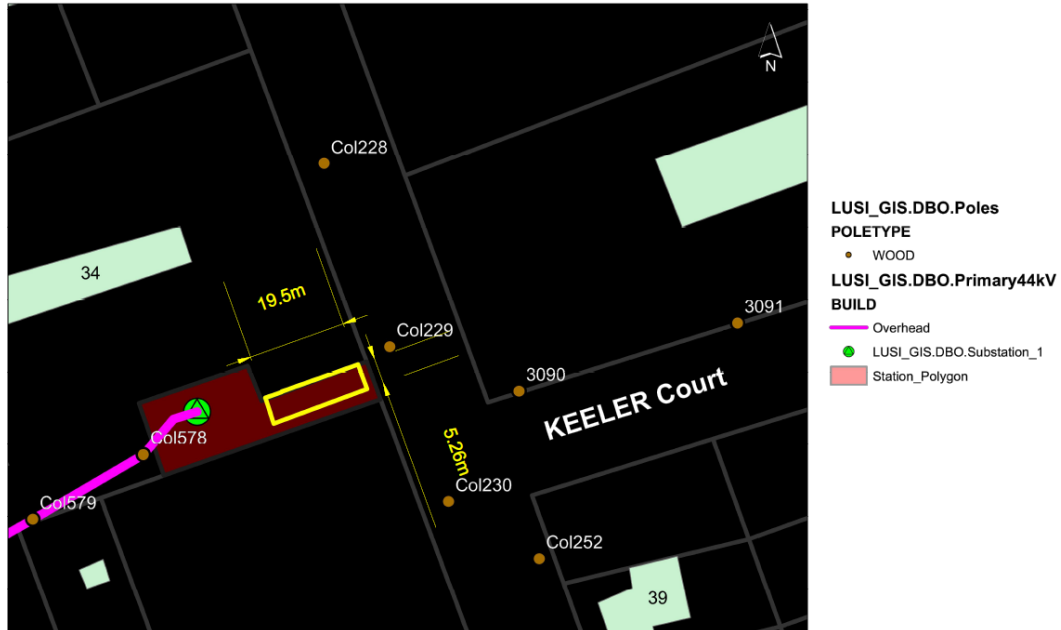
Per: Joanne Hyde, Clerk

I have authority to bind the Corporation.

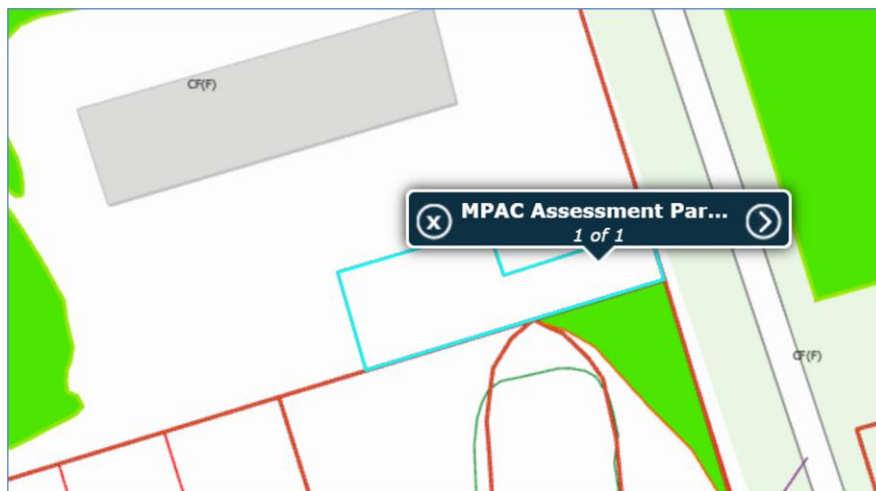
SCHEDULE "A"

LEGAL DESCRIPTION

Part of Plan 64, Part Lots 8, 9 & 10 Part of Vale Street 39R9020 Part 3, as depicted in yellow border below:



Lands owned by Lakefront Utilities – Victoria Street
Roll Number 1411-012-020-207250 0000



SCHEDULE "B"

<u>Lease Period</u>	<u>Annual Gross Rent</u>
Original Term	\$500.00